

## Message Text

CONFIDENTIAL

PAGE 01 BONN 15138 182254Z

13

ACTION EUR-25

INFO OCT-01 ISO-00 SS-20 NSC-10 DODE-00 CIAE-00 PM-07

INR-10 L-03 NEA-10 NSAE-00 PA-04 RSC-01 PRS-01 SPC-03

USIA-15 TRSE-00 SAJ-01 ACDA-19 COME-00 H-03 EB-11

OMB-01 DRC-01 /146 W

----- 016222

R 181755Z OCT 73

FM AMEMBASSY BONN

TO SECSTATE WASHDC 8148

C O N F I D E N T I A L BONN 15138

DEPARTMENT PASS TREASURY AND DEFENSE

E.O. 11652: GDS

TAGS: EFIN, GW

SUBJECT: OFFSET

REF: BONN 14542

1. THE GERMANS HAVE NOW PROVIDED US WITH THE PAPER  
DETAILING THEIR DM 1.5 BILLION ANNUAL SPENDING IN  
SUPPORT OF THE US FORCES OUTSIDE OF THE OFFSET  
AGREEMENT (SEE PARA 5 OF REFTEL). THE GERMAN  
PRESENTATION GENERALLY FOLLOWS THE LINE OF A SIMILAR  
PRESENTATION THEY HAVE PREVIOUSLY MADE TO NATO (SEE  
US NATO 4382) BUT CONTAINS SOME FURTHER ELABORATIONS.  
THE GERMAN INTENTION IS FOR THE PAPER TO BE USED BY  
UNDER SECRETARY CASEY AS HE DEEMS ADVISABLE IN  
BRINGING INCREASED AWARENESS IN THE US CONGRESS REGARDING  
THESE GERMAN CONTRIBUTIONS.

2. WE BELIEVE THE PAPER CAN BE USEFUL FOR THIS  
PURPOSE, BUT BELIEVE THE FOLLOWING CAVEATS SHOULD BE  
BORNE IN MIND IN ITS USE: (A) THE DM 940 MILLION  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 15138 182254Z

ESTIMATE OF THE ANNUAL IMPUTED RENT OF FEDERAL

PROPERTY USED BY THE US FORCES FREE OF CHARGE IS ONLY A VERY ROUGH ONE. THE GERMANS TELL US THAT NO DETAILED ESTIMATE IS POSSIBLE HOWEVER. IN ADDITION SOME OF THIS FEDERAL PROPERTY WAS PREVIOUSLY PROCURED WITH OCCUPATION COSTS WHICH THE GERMANS MADE AVAILABLE IN THE EARLY POSTWAR YEARS INSTEAD OF A DEFENSE CONTRIBUTION OF THEIR OWN. THERE, THEREFORE, IS SOME QUESTION REGARDING THE APPROPRIATENESS OF NOW COUNTING THE FREE USE OF THE PROPERTY AS AN ADDITIONAL CONTRIBUTION. (B) SOME OF THE GERMAN CURRENT EXPENDITURES FOR THE PROCUREMENT OF SUBSTITUTE REAL ESTATE FOR THE US FORCES INVOLVE THE MAKING AVAILABLE OF SUCH REAL ESTATE TO THE US FORCES IN EXCHANGE FOR PREVIOUSLY REQUISITIONED REAL ESTATE. THE GERMAN SIDE THUS THROUGH THESE TRANSACTIONS ACQUIRES THE USE OF EQUIVALENT REAL ESTATE FOR OTHER USES AS WELL AS ADDITIONAL FEDERAL PROPERTY WHICH WILL REVERT TO THE GERMAN GOVERNMENT WHEN IT IS NO LONGER NEEDED BY THE US FORCES.

4. HERMBERG WILL BE HANDCARRYING THE GERMAN PAPER TO WASHINGTON OVER THE WEEKEND.  
HILLENBRAND

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ARMED FORCES, FINANCIAL CONTRIBUTIONS, OFFSET PAYMENTS, AMENDMENTS, MILITARY BASES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 OCT 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973BONN15138  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS HILLENBRAND  
**Errors:** N/A  
**Film Number:** n/a  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731025/aaaaasey.tel  
**Line Count:** 84  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** BONN 14542  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08-Aug-2001 by izenbei0>; RELEASED <08-Aug-2001 by izenbei0>; APPROVED <20-Sep-2001 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OFFSET  
**TAGS:** EFIN, GE, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005